



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 24, 2006

Black Desert Mining LLC
C/O Steve Young
1669 S. 580 E.
American Fork, Utah 84003

Subject: Approval of Surety and Permit to Mine, Black Desert Mining LLC, Black Desert Mine, S/023/088, Juab County, Utah

Dear Mr. Young:

The Division received your Notice of Intent (notice) and initial permit fee payment on December 21, 2006, concerning your proposed Black Desert small mine, located in NW1/4, NE 1/4, NW1/4 of Section 15, T15S, R11W, SLBM, Millard County, Utah, to disturb 5 acres.

The Division found your Notice complete on January 23, 2006 and now approves your reclamation surety. The Division permits the mining activity on the area shown in your notice. The following conditions still exist:

1. No mining related disturbance can be created until you have received written acceptance from the BLM.
2. Cultural resources. The review by State History mentions the fact that the access road across undisturbed ground may have the potential for cultural resources and an inventory is recommended prior to disturbance. If during your operations, you encounter cultural resources, you are asked to immediately cease operations and notify the Division and the Division of State History.

Enclosed is a copy of the approved notice and surety. Thank you for your cooperation to help finalize this permitting action. In reply, please refer to file number S/023/090.

Sincerely,

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:tm:pb

Enclosure: Reclamation Contract and copy of Surety Bond, approved NOI

Cc: BLM, Jerry Mansfield, Fillmore

Beth Erickson

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